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Greece

Fresh Deciduous Fruit

Annual

2005

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Report Highlights:
2005 Greek production of apples and pears is returning to normal levels following several years of below average production, due largely to weather and disease. Greek grape production will be down slightly in 2005 due to biennial growth trends.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
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Apples

The final figures for 2004 Greek fresh apple and pear production slightly revise those reported in GR 4001. In 2003, both crops suffered a 20-25 percent reduction, compared to the 2002 crop, mostly due to a 2003 spring frost in a region of northern Greece. Adverse weather conditions have slightly affected the productivity of the tree population, which significantly recovered during the 2004 growing season. Output of apples and pears in 2004 finally reached satisfactory levels, but remain below a good output, which can easily reach 300-320,000 MT. Greece has experienced a decline in apple production since 2000, due to hail, which prevails annually in production areas of Central Greece. Phytopathological problems (small size fruit) found in the last five years in key apple production areas of Thessaly. Both of these affect the quality of the fruit. According to trade sources, the quantity and quality of the 2004 apple and pear crops have improved and the 2005 crops are reported approaching normal harvest levels, due to favorable weather conditions during the growing season. Apple and pear output figures for 2005 cited in attached PSDs are preliminary estimates, subject to further revision later in the year.

Farm prices in 2004, for Red Delicious and Granny Smiths, fluctuated between 0,35-0,49 Euros/kg, based on quality and quantity. For the “Zagorin” a local (red delicious) variety, prices have fluctuated between 0.75-1.20 Euro/kg according to quality. In the Central Market of Athens prices have also fluctuated accordingly. As cited in GR3019, there is EU protection for apples of the Zagora region, under the name “Zagorin”, a denomination of origin according to EU Regulation 1107/96.

Apple amounts appearing in PSD as withdrawn from the market, are only marketable apples and does not include those apples downgraded by hail, diseases or wasted in orchard. Due to an absence of loss or wasted amounts category in PSD, those apples that were not marketable and/or suitable to be utilized for any purpose are incorporated into the domestic fresh consumption category. The same applies also to pears.

Pears

According to farmer sources, domestic pear production is still limited, due to a variety of reasons including adverse weather and diseases. However, an increase in the pear production is expected in the future because of new plantings and old orchard replacements, mostly with the popular Greek varieties such as “Kristalli” and “Kodoula.” Potential Greek pear output for all varieties is estimated to reach 70-80,000 MT in the coming years. Last year, however, pear cultivation suffered due to a number of diseases, such as Erwinia amylo-vora, forcing farmers to uproot trees and consequently contributing to a reduction of fresh pear output. Plantings and replantings are taking place gradually over the next few years. The “Kodoula” variety production and new plantings, are located in the areas of Korinth, Tirnavos (Thessaly) and Lakonia prefecture south, are grown in hilly lands, preferably in hedge form. They reach the fresh markets in July and are tasty and highly demanded by the Greek consumers. This high demand has resulted in high farmer prices and consequently farmers have restructured their orchards with the Kodula. Kodulas represent 5-6 percent of Greek pear production, with an upward trend. Farmers receive 1.8-2.0 Euros/Kg.

The Krystalli variety is also a dynamic and highly demanded fresh fruit crop for Greece. In a good year production can exceed 30,000 MT. Krystalli's grow in the prefecture of Larissa in Thessaly (Tirnavos region). The shift in pear production away from industrial varieties (for fruit processed products) to table varieties, occurred after the spectacular increase of industrial pear imports from China, estimated at 10,000 MT per annum, and with the growing demand for certain varieties of fresh pears.

A small but significant recent change in the structure of Greek tree crops has been noted through farmer reports and fieldwork. Farmers, who traditionally grow common citrus varieties, olives and some field crops, expected to enter the full decoupling stage next year, have shown interest in shifting toward demanded deciduous fruit crops, with pears listed first.

Farmer prices in 2003/2004 have fluctuated between 0.40-0.60 Euros/kg for varieties such as Passacrassana and Abate F. and 0.60-1.00 Euros/kg for the Greek variety "Kristalli." Kristalli, together with the Kodula variety, are highly preferred among Greek consumers, particularly with respect to imported pears.

Grapes

There has not been any change in table grape production F?? 2003 ??? 2004 since the last report, No GR-4001. According to the Ministry of Agriculture and farmer organizations, the 2005/06 output of table grapes is expected to be 280,000 MT. This drop is due to the decrease in fresh Sultana production, downwardly affecting the total output of all varieties of table grapes. Moreover, the quality of the fresh Soultana variety is considered to be moderate. In the region of Peloponnese and Crete (Southern of Greece), farmers faced a biennial behavior of the vines, resulting in lower output. Most of Crete's Sultanas are used for dried fruit production. While wine-grape production in Greece is normally around 400,000 MT per annum, this year, output is expected to drop to 380,000 MT. Precise table and wine grape output figures for the MY 2005/2006 are not yet available from the Ministry of Agriculture.

The relatively slight reduction of table grape yields this year will result in better prices for Greek farmers, although small farmer's income will be adversely affected, and consequently better export prices. Declining grape-crop availability is also reported elsewhere in the Mediterranean basin, with crops in this region affected by extreme and long-lasting dry weather conditions. Table grapes from Korinth (South) and Kavala (North) are leading among the Greek grape exports. Grape packers in the field, report that their packing costs are increasing significantly from year to year, seriously affecting export prices. In years of high fruit supply in Europe, such packing costs make Greek grapes less competitive when compared to Turkish, Italian and Spanish products. The best market for Greek fresh Sultanas is the UK, but the UK market is limited to the two-month period, mid-August until mid-October. In 2004, the Brazilian Superior seedless variety started competing with the Greek fresh Sultana in the UK. The Brazilian Superior usually enters the UK market after October 15th. The Brazilian Superior is produced twice a year in the same orchard and, consequently, at very low cost.

Farmer prices in MY 2004/2005 for fresh grapes fluctuated between 0.5 – 1.2 Euros/kg, with Sultanas being garnering the highest price, followed by the Rozaki variety (mostly grown in Northern Greece).

Recently, a new variety, called "Crimson," made a dynamic presence in the field of table grape production. Five years after its introduction to Greece, farmers are very optimistic for future yields and market potential.

Trade

In CY 2004, Greece imported more than 28,000 MT valued at U.S. $ 30.96 million (U.S. $ 27.94 in CY 2003). Of this amount, around 20,000 MT were purchased from the EU–25 (12,000 MT originated in Italy). Less than 500 MT were purchased from the U.S. at prices of U.S. $ 1,143/MT. Greek exports for the same period are reported at just over 30,000 MT valued at U.S. $ 11.4 million, mostly to Balkan countries (Albania and Bulgaria).

Pear imports in CY 2004 were over 19,000 MT valued at U.S. $ 19.8 million, mostly from the EU – 25. Pear exports were limited to just over 1,500 MT, valued at U.S. $ 1.0 million, destined mostly to the same Balkan countries where apples were sold.

The markets for grapes are different than those for apples and pears. About 66,000 MT were exported in CY 2004, valued at U.S. $ 92.08 million. Of this amount, more than 53,000 MT were destined for the EU – 25. Over 25,000 MT were forwarded to Germany and over 14,000 MT (mainly fresh Sultanas) to the UK. Imports of grapes for the same period are reported at only a little more than 2,000 MT (valued at U.S. $ 2.7 million), of which more than 1.75 MT came from the EU and the remainder from Chile and South Africa.

Most of the importing activity into Greece starts in May and ends in late fall. Summer season, with approximately 10 million tourist arrivals, is a period of high-demand for fresh fruit and vegetables. Tourist arrivals in Greece in recent years has reached 13 million, annually. Consumption demand in CY 2004 was higher due to the 2004 Olympic games held in Athens.

Greek production of fresh table fruit (including citrus, nectarines & table peaches) is estimated at 3.8 million MT, which represents 8 percent of the total EU-25 production. Of this production, 80 percent is marketable (30% for domestic consumption, 35% for exports, and 35% for other uses, including processing, on-farm use, and wastage. Withdrawals, estimated to be somewhere between 5-10 percent, according to the year, are significantly reduced in accordance to the EU CAP policies in effect.

Among the European fresh fruit producers, the main competitors of Greece in the Central European market (Germany) are Spain and Italy. Among the third-countries, the main competitors are Morocco, S. Africa, Brazil, Israel and Argentina.

Policy

The new CAP reform for Fruits and Vegetables is scheduled to be discussed at the beginning of the new year (2006), between GOG Ministry of Agriculture and the Fruit Producers & Processors representatives. A full decoupling scenario (by 100%) is very probable for the sector. Reportedly, some farming organizations and packing associations support the full decoupling scenario. On the other side, some farm leaders believe that an immediate full decoupling will cause serious problems to farmers who produce products, the value of which is set in connection to the processing prices paid by the canned fruit and juice producers. GOG Ministry of Agriculture intentions are not yet known.

Regarding the promotion of fresh fruit exports, GOG Ministry of Agriculture, in cooperation with the Ministry of Development, has invited businesses to apply and benefit from EU incentives in the framework of the Third EU Development Support Package (2000 – 2006 period).

Reportedly, the participation of Greece in the FruitLogistica 2005 has proven to be beneficial for Greek fresh products. It is believed that this participation, together with a number of market promotion strategies prepared by the Hellenic Association of Fresh Fruit and Vegetable packers, in cooperation with OPE (Hellenic Organization for the Promotion of Exports) will certainly help Greek exports in the future. Such promotion and advertisement programs are subsidized, 70 percent from the EU and 30 percent from the GOG national budget. These programs are implemented in the framework of the Third EU Support Package, Measure 4.3 (actions for the promotion of exports by organized bodies) that target the strengthening of competitiveness of Greek products within Europe and the certification of quality for fruits and vegetables. These measures are the last ones to be financed in the 2000-2006 period and interested parties are invited to submit applications by September 30, 2005. It is reported that businesses, which apply and are qualified can be subsidized for programs up to 100.000 Euros and for 75 percent of their costs (covered by both the EU: 70% and GOG: 30%). In order to qualify, businesses must conform with the Promotion of Certified quality products, the application of systems ISO 9001:2000 and HACCP and that of Integrated management systems at farm level, which affirms that farmers source their raw products (systems AGRO 2.1 and 2.2 which pertain quality certification of products, free of chemicals, environmental friendly production practices, etc), according to the EU relevant Regulations No 178/2002, 882/2004, 1148/2001.

Greece, according to a recent Ministerial decision, is obliged to comply with the EU regulation 2200/96, which sets not only the necessary packing and certification measures of fresh fruit and vegetables, but also labeling according to the quality of the traded product.

The GOG Ministry of Commerce has enforced a number of Ministerial Decisions in an attempt to control fraud in the Central fresh fruit and vegetable wholesale and retail markets. Extremely high priced fresh products caused an unusually high volume of complaints last year and this year, from consumer organizations and individual consumers. Market police are instructed accordingly, to control and check selling prices in all markets around the country. Reportedly, for some basic fruit and vegetable products purchased at the retail level in grocery stores and open markets, Greek consumers paid 10 or 20 times the grower price. Normally, the wholesale profit margins should not exceed 10% over the grower price. The allowable retailer margin should not exceed 25% or 26%, according to the type of product, in compliance with the effective legislation and market police orders.

Aside from these consumer complaints, the farm community also complains that their products reach the urban consumer's plate at extremely high prices, with the intermediates making very large profits.

PS&D Table, Fresh Apples

PSD Table

Country Greece

Commodity Apples, Fresh

							(HA)(1000 TREES)(MT)
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [	Estimate[NDA	Official [	Estimate[NDA	Official [	Estimate[New]	
Market Year Begin		07/2003		07/2004		07/2005	MM/YYYY
Area Planted	16236	16236	16235	16235	0	16235	(HA)
Area Harvested	15940	15940	15938	15938	0	15937	(HA)
Bearing Trees	6058	6058	6066	6066	0	6068	(1000 TREES)
Non-Bearing Trees	58	58	50	50	0	48	(1000 TREES)
Total Trees	6116	6116	6116	6116	0	6116	(1000 TREES)
Commercial Production	165000	198500	283000	270000	0	275000	(MT)
Non-Comm. Production	4000	4000	4500	5000	0	5000	(MT)
TOTAL Production	169000	202500	287500	275000	0	280000	(MT)
TOTAL Imports	21000	21000	18000	23000	0	22000	(MT)
TOTAL SUPPLY	190000	223500	305500	298000	0	302000	(MT)
Domestic Fresh Consum	170000	201000	245000	250000	0	252000	(MT)
Exports, Fresh Only	17000	17000	38000	32000	0	35000	(MT)
For Processing	1000	2000	2500	3000	0	3200	(MT)
Withdrawal From Market	2000	3500	20000	13000	0	11800	(MT)
TOTAL UTILIZATION	190000	223500	305500	298000	0	302000	(MT)

Export Trade Matrix, Fresh Apples

Export Trade Matrix

Country Greece

Commodit Apples, Fresh

Time Period		Units:	MT
Exports for:	2003		2004
U.S.		U.S.	
Others		Others	
Italy	80	Cyprus	224
Portugal	87	Poland	107
Austria	22	Slovakih	64
Spain	20	Spain	61
Netherlands	7	Netherlands	51
>EU Total	216	Other EU	8
Bulgaria	11685	>EU Total	515
Albania	15661	Albania	18919
Russian Feder.	1105	Bulgaria	8952
Yugoslavia	596	Russian Feder.	768
Total for Others	29263		29154
Others not Liste	1509		1587
Grand Total	30772		30741

Import Trade Matrix, Fresh Apples

Import Trade Matrix

Country Greece

Commodit Apples, Fresh

Time Period		Units:	MT
Imports for:	2003		2004
U.S.	1022	U.S.	335
Others		Others	
Italy	12968	Italy	12021
Germany	3232	Germany	3537
Netherlands	1957	Netherlands	2563
Spain	1404	Spain	975
Austria	1304	Austria	765
Other EU	687	Belgium	706
>Sub Total EU	21552	Other EU	709
Chile	3719	>Sub Total EU	21276
Turkey	518	Chile	5540
Argentina	565	Argentina	971
Total for Others	26354		27787
Others not Liste	560		542
Grand Total	27936		28664

PS&D Table, Grapes, Table, Fresh

PSD Table

Country Greece

Commodity Grapes, Table, Fresh (HA)(MT)

	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [	Estimate[N	DA Official [	Estimate[N	DA Official [	Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Area Planted	19500	19500	19500	19500	0	19500	(HA)
Area Harvested	19500	19500	19500	19500	0	19500	(HA)
Commercial Production	290000	290000	276000	276000	0	260000	(MT)
Non-Comm. Production	32000	32000	28000	28000	0	20000	(MT)
TOTAL Production	322000	322000	304000	304000	0	280000	(MT)
TOTAL Imports	1000	1000	1200	1200	0	2000	(MT)
TOTAL SUPPLY	323000	323000	305200	305200	0	282000	(MT)
Domestic Fresh Consum	175000	175000	173000	173000	0	170000	(MT)
Exports, Fresh Only	80000	80000	70000	70000	0	55000	(MT)
For Processing	68000	68000	62200	62200	0	57000	(MT)
Withdrawal From Market	0	0	0	0	0	0	(MT)
TOTAL UTILIZATION	323000	323000	305200	305200	0	282000	(MT)

Export Trade Matrix, Grapes, Table, Fresh

Export Trade Matrix

Country Greece

Commodit Grapes, Table, Fresh

Time Period		Units:	MT
Exports for:	2003		**2004**
U.S.		U.S.	
Others		Others	
Germany	20580	Germany	25263
U.K.	11368	U.K.	14203
Netherlands	6941	Netherlands	4395
Austria	964	Poland	5860
Other EU	174	Sweden	1168
>Sub Total EU	40027	Other EU	2508
Poland	13742	>Sub Total EU	53397
Czech Republic	3885	Bulgaria	2619
FYROM	1604	Albania	1832
Albania	1662	Romania	2109
Total for Others	60920		59957
Others not Liste	7860		5659
Grand Total	68780		65616

Import Trade Matrix, Grapes, Table, Fresh

Import Trade Matrix

Country Greece

Commodit Grapes, Table, Fresh

Time Period		Units:	MT
Imports for:	2003		**2004**
U.S.		U.S.	
Others		Others	
Italy	385	Italy	347
Germany	132	Germany	895
Netherlands	151	Netherlands	268
Spain	123	Spain	88
Belg. & Lux.	15	France	72
France	8	Czech Republic	39
Austria	2	Other	48
>Sub Total EU	816	>Sub Total EU	1757
Chile	291	Chile	247
South Africa	60	South Africa	162
Total for Others	1167		2166
Others not Liste	89		44
Grand Total	1256		2210

PS&D Table, Pears, Fresh

PSD Table

Country Greece

Commodity Pears, Fresh

(HA)(1000 TREES)(MT)

	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [	Estimate[N	DA Official [	Estimate[N	DA Official [	Estimate[New]	
Market Year Begin		07/2003		07/2004		07/2005	MM/YYYY
Area Planted	7500	7500	0	0	0	0	(HA)
Area Harvested	7500	7500	0	0	0	0	(HA)
Bearing Trees	3830	3830	0	0	0	0	(1000 TREES)
Non-Bearing Trees	40	40	0	0	0	0	(1000 TREES)
Total Trees	3870	3870	0	0	0	0	(1000 TREES)
Commercial Production	31000	28900	45000	40000	0	42000	(MT)
Non-Comm. Production	900	900	1000	1000	0	1500	(MT)
TOTAL Production	31900	29800	46000	41000	0	43500	(MT)
TOTAL Imports	20000	20000	17000	16000	0	15000	(MT)
TOTAL SUPPLY	51900	49800	63000	57000	0	58500	(MT)
Domestic Fresh Consum	46500	43500	53000	48150	0	48300	(MT)
Exports, Fresh Only	250	500	2000	1200	0	1600	(MT)
For Processing	4650	4600	6300	6000	0	6600	(MT)
Withdrawal From Market	500	1200	1700	1650	0	2000	(MT)
TOTAL UTILIZATION	51900	49800	63000	57000	0	58500	(MT)

Export Trade Matrix, Pears, Fresh

Export Trade Matrix

Country Greece

Commodit Pears, Fresh

Time Period		Units:	MT
Exports for:	2003		2004
U.S.		U.S.	
Others		Others	
Netherlands	13	Netherlands	8
>Sub Total EU	13	Cyprus	37
Albania	236	Italy	8
Bulgaria	175	Poland	10
FYROM	89	Slovenia	4
Cyprus	29	Other EU	4
Romania	34	>Sub Total EU	71
Yugoslavia	15	Albania	849
		Bulgaria	300
		FYROM	166
Total for Others	591		1386
Others not Listed			171
Grand Total	591		1557

Import Trade Matrix, Pears, Fresh

Import Trade Matrix

Country Greece

Commodit Pears, Fresh

Time Period		Units:	MT
Imports for:	2003		2004
U.S.		U.S.	
Others		Others	
Germany	1186	Germany	1191
Spain	8177	Spain	10416
Italy	2300	Italy	2286
Netherlands	932	Netherlands	619
France	246	France	291
Belg. & Lux.	263	Other EU	187
>Sub Total EU	13104	>Sub Total EU	14990
S. Africa	1841	Argentina	1516
Turkey	947	South Africa	1046
Argentina	538	Chile	965
Total for Others	16430	Other	18517
Others not Liste	460		497
Grand Total	16890		19014